

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

-----X
In re: PROMESA
THE FINANCIAL OVERSIGHT AND MANAGEMENT Title III
BOARD FOR PUERTO RICO, No. 17 BK 3283-LTS
as representative of
THE COMMONWEALTH OF PUERTO RICO, *et al.* (Jointly Administered)
Debtors.¹

-----X
In re: PROMESA
THE FINANCIAL OVERSIGHT AND Title III
MANAGEMENT BOARD FOR PUERTO RICO, No. 17 BK 4780-LTS
as representative of
PUERTO RICO ELECTRIC POWER AUTHORITY
("PREPA"),
Debtor.

-----X
**INFORMATIVE MOTION OF OVERSIGHT BOARD
AND AAFAF TO ORDER REGARDING OVERSIGHT
BOARD'S AND AAFAF'S URGENT APPLICATION AND NOTICE OF
REVISED PROPOSED \$300 MILLION LOAN FROM COMMONWEALTH TO PREPA**

To the Honorable United States District Judge Laura Taylor Swain:

Pursuant to the Court's *Order Regarding Oversight Board's and AAFAF's Urgent Application and Notice of Revised Proposed \$300 Million Loan from Commonwealth to PREPA* [ECF No. 742; Case No. 17-4780-LTS] (the "Order"), the Financial Oversight and Management Board for Puerto Rico (the "Oversight Board"), as representative of the Puerto Rico Electric Power Authority ("PREPA" or the "Debtor") in this Title III case pursuant to section 315(b) of

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780 (LTS)) (Last Four Digits of Federal Tax ID: 3747).

the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² and the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF” and, together with the Oversight Board, “Movants”) have reviewed the language in paragraph 11 of the proposed order at Docket No. 740-1 for clarity and grammar, and propose the following language that clarifies the paragraph without altering its substance:

11. Prohibition on Granting of Liens or Additional Superpriority Claims.

Neither claims nor interests shall be secured by liens or granted superpriority status equal to or senior to the Superpriority Claim, other than the Carve Out and claims secured by valid, perfected liens existing as of the date of entry of this Order, while any portion of the obligations arising under the Facility remains outstanding, or any commitments of the Lender under the Credit Documents remains in effect, without the prior written consent of the Lender.

This revised paragraph 11 incorporates with modification the comment provided by U.S. Bank National Association, in its capacity as PREPA bond trustee, to that provision of [ECF No. 730].

A final proposed order incorporating the proposed language for paragraph 11 is attached hereto as **Exhibit A**. A redline comparing the final proposed order to the form of order filed on February 18, 2018 at ECF No. 740-1 is attached hereto as **Exhibit B**.

Dated: February 19, 2018
San Juan, Puerto Rico

Respectfully submitted,

/s/ Martin J. Bienenstock

Martin J. Bienenstock (*pro hac vice*)
Paul V. Possinger (*pro hac vice*)
Ehud Barak (*pro hac vice*)
Maja Zerjal (*pro hac vice*)
PROSKAUER ROSE LLP
Eleven Times Square

² PROMESA is codified at 48 U.S.C. §§ 2101-2241.

New York, NY 10036
Tel: (212) 969-3000
Fax: (212) 969-2900

*Attorneys for the Financial Oversight and
Management Board as Representative for
PREPA*

/s/ Hermann D. Bauer

Hermann D. Bauer
USDC No. 215205
O'NEILL & BORGES LLC
250 Muñoz Rivera Ave., Suite 800
San Juan, PR 00918-1813
Tel: (787) 764-8181
Fax: (787) 753-8944

*Co-Attorneys for the Financial Oversight and
Management Board as Representative for
PREPA*

THE PUERTO RICO FISCAL AGENCY
AND FINANCIAL ADVISORY
AUTHORITY, as fiscal agent for PREPA

By its attorneys,
/s/ Nancy A. Mitchell

Nancy A. Mitchell (*pro hac vice*)
Greenberg Traurig LLP
200 Park Avenue
New York, NY 10166
Tel: (212) 801-9200
Fax: (212) 801-6400

David D. Cleary
Kevin D. Finger
Greenberg Traurig LLP
77 West Wacker Drive
Suite 1300
Chicago, IL 60601
Tel: (312) 456-8400
Fax: (312) 456-8435